GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:1940
ANSWERED ON:03.08.2000
CLOSURE/SICKNESS OF COOPERATIVE SPINNING MILLS
ANANTA NAYAK

Will the Minister of TEXTILES be pleased to state:

(a) the names of the cooperative spinning mills closed / sick in the country, State-wise particularly in Orissa;

(b) the reasons for their closure / sickness;

(c) the number of workers affected due to this and steps taken for their rehabilitation; and

(d) the steps taken / proposed to be taken to re-open the closed mills and to revive the sick mills and amount incurred thereon, mill-wise?

Answer

THE MINISTER OF STATE FOR TEXTILES (GINGEE N. RAMACHANDRAN)

(a) to (d): As on 31.05.2000; 46 cotton / man-made fibre co-operative spinning mills (Non-SSI) wereclosed in the country. Out of which, 3 co-operative spinning mills were closed in the State of Orissa. The number of such mills closed and workers effected, State-wise, are given below:

State	Mills Closed	Workers Affected
Andhra Pradesh	9	5625
Assam	1	215
Bihar	2	363
Gujarat	4	4189
Karnataka	3	1269
Maharastra	17	9192
Orissa	3	3619
Punjab	4	4468
Tamil Nadu	2	1208
Uttar Pradesh	1	1212

Closure of textile mills can be attributed to many factors including obsolete technology, increase in cost of inputs, difficulties in getting timely and adequate credit, mismanagement, recessionary conditions etc. The names of the closed co-operative spinning mills (Non-SSI) in the State of Orissa are given below:

Name of Mills	Reason or closure
The Orissa Weavers co-operative spinning mills	Financial difficulties
Utkal Weavers co-operative spinning mills	Financial difficulties
Shree Sarala Weavers co-operative spinning mills	Super Cyclone

The co-operative spinning mills come within the purview of the State Governments, and therefore for revival of the sick / closed co-operative sector mills, appropriate action should be taken by the State Government concerned. As in case of Orissa, the State Government in 1996 had recommended restructuring/privatisation of spinning mills operating under the Orissa Co-operative Spinning Federation. The SBI Caps was entrusted with the task of evaluation of asset and for preparation of Confidential Information Memorandum for Spinning Mills under Orissa Co-operative Spinning Mills FederationExpression of interests were received from several parties but no concrete bid offers were received. Therefore, the mills continue to be operated on conversion basis pending sale/privatisation.